



FINANCE

CITY OF DURHAM

3rd Quarter Financial Report

Finance and BMS | May 24, 2018

General Fund



FINANCE

CITY OF DURHAM

General Fund - Expenditures

DEPARTMENT	FY 2018 ADJUSTED BUDGET	ACTIVITY THROUGH MARCH 2018	ENCUM- BRANCE BALANCE	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
Audit Services	\$ 614,291	\$ 480,570	\$ 1,880	\$ 603,700	\$ 10,591
Budget & Management Services	1,389,242	991,106	40,195	1,306,742	82,500
City Attorney	1,852,517	1,388,014	454	1,852,517	-
City Clerk	755,066	528,626	47,781	738,791	16,275
City Council	1,095,832	927,508	280	1,001,712	94,120
City Manager/One Call/Public Affairs	3,828,991	2,909,578	37,673	3,786,171	42,820
City/County Planning	3,870,020	2,634,259	14,673	3,710,020	160,000
Community Development	2,188,492	1,837,620	69,909	1,953,120	235,372
Economic & Workforce Development	5,321,143	1,890,897	1,807,725	4,748,012	573,131
Emergency Communications	6,537,075	4,024,306	460,166	6,179,473	357,602
Emergency Management	243,412	172,275	-	243,412	-
Equal Opportunity-Equity Assurance	546,168	413,183	149	539,129	7,039

General Fund - Expenditures

DEPARTMENT	FY 2018 ADJUSTED BUDGET	ACTIVITY THROUGH MARCH 2018	ENCUM- BRANCE BALANCE	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
Finance	4,891,989	3,502,663	252,156	4,763,881	128,108
Fire	28,969,387	21,752,215	110,668	28,810,478	158,909
Fleet Maintenance	3,629,744	2,647,313	77,566	3,629,744	-
General Services	14,453,999	9,936,767	674,010	14,283,963	170,036
Human Resources	2,800,937	2,088,806	135,311	2,800,937	-
Neighborhood Improvement Service	4,298,556	2,867,624	246,614	4,030,540	268,016
Parks & Recreation	14,515,330	9,721,450	663,261	14,199,687	315,643
Police	61,808,552	46,039,518	1,371,630	61,612,870	195,682
Public Works	9,901,484	6,130,790	1,573,783	8,862,384	1,039,100
Technology Solutions	7,631,557	5,566,475	407,050	7,557,669	73,888
Transportation	8,332,526	6,055,550	252,024	8,124,607	207,919
NonDepartmental	13,019,373	7,276,899	537,322	10,998,012	2,021,361
Indirect Cost	(10,446,148)	(7,834,609)	-	(10,446,148)	-
Transfers To Other Funds	9,686,883	9,572,359	-	9,686,883	-
Total	\$ 201,736,418	\$ 143,521,762	\$ 8,782,280	\$ 195,578,306	\$ 6,158,112

General Fund - Expenditures

CLASS	FY 2018 ADJUSTED BUDGET	ACTIVITY THROUGH DECEMBER 2017	ENCUM- BRANCE BALANCE	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
Personnel Services	\$ 147,255,248	\$ 108,001,404	\$ 272,909	\$ 143,349,412	\$ 3,905,836
Operating Expenditures	42,044,287	24,633,114	8,062,522	40,072,654	1,971,633
Capital Outlay	2,574,088	1,283,079	446,849	2,293,445	280,643
Appropriation Not Authorized for Expenditures	175,912	31,806	-	175,912	-
Transfers To Other Funds	9,686,883	9,572,359	-	9,686,883	-
Total	\$ 201,736,418	\$ 143,521,762	\$ 8,782,280	\$ 195,578,306	\$ 6,158,112

General Fund - Expenditures

- Year-end expenditures projected at \$6.2M less than budgeted:
 - Personnel costs under budget by \$3.9M or 2.7% due to vacancies & benefits savings
 - Operating costs under budget by \$2.0M or 4.7% due to contract savings
- No departments are projected to exceed budget
 - Public Works projected to be under budget by \$1.0M due to vacancies and contract savings



General Fund - Revenues

	FY 2018 ADJUSTED BUDGET	ACTIVITY THROUGH MARCH 2018	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
REVENUES				
Property Taxes	\$ 93,184,096	\$ 92,447,036	\$ 93,463,648	\$ 279,552
Sales Taxes	63,843,076	32,154,756	63,970,762	127,686
Hotel/Motel Occupancy Tax	2,609,588	1,855,691	2,635,684	26,096
Other Local Taxes	313,915	311,365	408,090	94,175
Licenses & Permits	506,000	265,443	530,886	24,886
Utility Franchise tax	4,065,572	1,918,065	3,862,293	(203,279)
Powell Bill	6,285,588	6,293,671	6,293,671	8,083
Other Intergovernmental Revenues	3,398,253	1,358,716	3,296,305	(101,948)
Rental income	150,082	126,873	169,164	19,082
Charges For Services	7,472,822	5,249,357	7,547,550	74,728
Intragovernmental Services	275,000	481,661	629,370	354,370
Assessments	26,100	28,508	38,011	11,911
Sale of Property and Miscellaneous	1,217,000	1,335,545	1,336,747	119,747
Transfers From Other Funds	-	-	-	
TOTAL REVENUES	\$ 183,347,092	\$ 143,826,687	\$ 184,182,182	\$ 835,090
TOTAL EXPENDITURES	\$ 201,736,418	\$ 143,521,762	\$ 195,578,306	\$ 6,158,112
NET REVENUES LESS EXPENDITURES	\$ (18,389,326)	\$ 304,925	\$ (11,396,124)	
To/(From) Fund Balance				

Overall Budget Variance \$ 6,993,202

Property Taxes – All Funds

Collections through March 31st:

- 2018: \$164,404,329 (99.1% of current levy)
- 2017: \$154,919,650 (99.3% of current levy)
- YTD FY18/17 increase: +6.1%

EOY Projections:

- +2.6% over FY17
- +0.3M vs. budget



FINANCE

CITY OF DURHAM

General Fund - Revenues

- +\$835K over budget in total
- Sales taxes projected to be \$128K above budget (0.2%)
- Intragovernmental + \$354K
- Utility franchise taxes projected to be \$203K unfavorable to budget (5.0%)



FINANCE

CITY OF DURHAM

Fund Balance – Projected

Fund Balance 6/30/17 - \$50.1 million

Minus 2018 Projected Use of Fund Balance - \$11.4 million

Plus Encumbered Funds Released in 2018 - \$9.1 million

Projected Fund Balance 6/30/18 = \$47.8 million (26.4%)

16.7% Required Level = \$30.2 million



FINANCE

CITY OF DURHAM

Enterprise Funds



FINANCE

CITY OF DURHAM

Water & Sewer Fund - Revenues

	FY 2018 ADJUSTED BUDGET	ACTIVITY THROUGH MARCH 2018	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
REVENUES				
Operating Revenues	\$ 97,673,327	\$ 73,067,296	\$ 100,603,527	\$ 2,930,200
Permits	145,000	129,550	167,960	22,960
Total Operating Revenues	\$ 97,818,327	\$ 73,196,846	\$ 100,771,487	\$ 2,953,160
Non-Operating Revenues				
Miscellaneous	\$ 1,493,600	\$ 2,229,139	\$ 1,960,998	\$ 467,398
Investment Income	275,000	379,801	375,000	100,000
Total Non-Operating Revenues	\$ 1,768,600	\$ 2,608,940	\$ 2,335,998	\$ 567,398
TOTAL REVENUES	\$ 99,586,927	\$ 75,805,786	\$ 103,107,485	\$ 3,520,558

Water & Sewer Fund - Expenses

	FY 2018 ADJUSTED BUDGET	ACTIVITY THROUGH MARCH 2018	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
EXPENDITURES				
Personnel Services	\$ 28,019,457	\$ 20,598,915	\$ 27,067,477	\$ 951,980
Operating Expenditures	24,466,119	16,110,344	23,732,136	733,983
Non-Departmental Administration	5,303,254	3,977,442	5,303,254	-
Capital Outlay	209,012	93,735	257,512	(48,500)
Debt Service Principal and Interest	11,002,619	4,344,080	11,002,619	-
Operating Transfers to Other Funds	33,098,056	33,098,056	33,098,056	-
TOTAL EXPENDITURES	\$ 102,098,518	\$ 78,222,572	\$ 100,461,054	\$ 1,637,464
NET REVENUES LESS EXPENDITURES	\$ (2,511,591)	\$ (2,416,786)	\$ 2,646,431	
To/(From) Fund Balance				
			Overall Budget Variance	\$ 5,158,022

Water & Sewer Fund

- Overall, fund is expected to finish with a positive budget variance of \$5.2M for FY18
- Operating Revenue \$2.9M favorable primarily due to conservative budgeting
- Personnel Services \$1.0M favorable due to vacancies
- Expenditures \$0.7M favorable: savings on materials including chemicals



Parking Fund - Revenues

	FY 2018 ADJUSTED BUDGET	ACTIVITY THROUGH MARCH 2018	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
REVENUES				
Operating Revenues	\$ 5,082,231	\$ 3,628,695	\$ 5,303,091	\$ 220,860
Non-Operating Revenues				
Investment Income	\$ 12,000	\$ 24,863	\$ 25,000	\$ 13,000
Operating Transfers from Other Funds	882,707	882,707	882,707	-
Total Non-Operating Revenues	\$ 894,707	\$ 907,570	\$ 907,707	\$ 13,000
TOTAL REVENUES	\$ 5,976,938	\$ 4,536,264	\$ 6,210,798	\$ 233,860

Parking Fund - Expenses

	FY 2018 ADJUSTED BUDGET	ACTIVITY THROUGH MARCH 2018	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
EXPENDITURES				
Personnel Services	\$ 255,009	\$ 200,662	\$ 267,763	\$ (12,754)
Operating Expenditures	3,499,624	1,930,428	3,444,797	54,827
Non-Departmental Administration	392,258	294,192	392,258	-
Debt Service Principal and Interest	1,359,597	1,036,363	1,359,597	-
TOTAL EXPENDITURES	\$ 5,506,488	\$ 3,461,645	\$ 5,464,415	\$ 42,073
NET REVENUES LESS EXPENDITURES	\$ 470,450	\$ 1,074,619	\$ 746,383.00	
To/(From) Fund Balance				
			Overall Budget Variance	\$ 275,933

Parking Fund

- Both monthly and hourly parking are trending positively
 - Year end projection: \$220K above budget
 - Citation revenues are down
- Debt Service Fund subsidizes the existing debt portion of the fund
- Parking Fund overall is projected to operate with a \$276K full year positive variance



Transit Operations Fund - Revenue

	FY 2018 ADJUSTED BUDGET	ACTIVITY THROUGH MARCH 2018	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
REVENUES				
Operating Revenues	\$ 3,086,786	\$ 1,825,375	\$ 3,043,585	\$ (43,201)
Non-Operating Revenues				
Taxes	\$ 9,941,248	\$ 9,941,825	\$ 9,941,825	\$ 577
Miscellaneous	8,636,280	4,074,552	8,667,853	31,573
Total Non-Operating Revenues	\$ 18,577,528	\$ 14,016,377	\$ 18,609,678	\$ 32,150
TOTAL REVENUES	\$ 21,664,314	\$ 15,841,752	\$ 21,653,263	\$ (11,051)

Transit Operations Fund - Expenses

	FY 2018 ADJUSTED BUDGET	ACTIVITY THROUGH MARCH 2018	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
EXPENDITURES				
Operating Expenditures	\$ 20,992,740	\$ 12,266,881	\$ 20,312,176	\$ 680,564
Non-Departmental Administration	472,238	354,177	472,238	-
Capital Outlay	650,392	118,834	150,392	500,000
Debt Service Principal and Interest	194,182	198,095	198,095	(3,913)
Operating Transfers to Other Funds	1,324,417	1,301,770	1,473,398	(148,981)
TOTAL EXPENDITURES	\$ 23,633,969	\$ 14,239,758	\$ 22,606,299	\$ 1,027,670
NET REVENUES LESS EXPENDITURES	\$ (1,969,655)	\$ 1,601,994	\$ (953,036)	
To/(From) Fund Balance				
			Overall Budget Variance	\$ 1,016,619

Transit Operations Fund

- Operating Expenses and Capital Outlay projected under budget.
- Diesel and gasoline savings approximately \$300K.
- Total positive budget variance: \$1.0M.
- Tax rate of 3.56 cents per \$100 (about \$9.9M) is budgeted in Transit Fund.

Solid Waste Fund - Revenues

	FY 2018 ADJUSTED BUDGET	ACTIVITY THROUGH MARCH 2018	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
REVENUES				
Operating Revenues	\$ 7,224,624	\$ 5,715,112	\$ 7,610,680	\$ 386,056
Non-Operating Revenues				
Taxes	\$ 17,564,734	\$ 17,565,950	\$ 17,564,950	\$ 216
Investment Income	30,000	30,818	30,818	818
Miscellaneous	167,462	179,962	215,472	48,010
Operating Transfers from Other Funds	127,695	127,695	127,695	-
Total Non-Operating Revenues	\$ 17,889,891	\$ 17,904,424	\$ 17,938,935	\$ 49,044
TOTAL REVENUES	\$ 25,114,515	\$ 23,619,537	\$ 25,549,615	\$ 435,100

Solid Waste Fund - Expenses

	FY 2018 ADJUSTED BUDGET	ACTIVITY THROUGH MARCH 2018	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
EXPENDITURES				
Personnel Services	\$ 7,325,105	\$ 5,888,761	\$ 7,703,997	\$ (378,892)
Operating Expenditures	11,476,019	7,291,145	10,864,609	611,410
Non-Departmental Administration	2,647,272	1,985,454	2,647,272	-
Capital Outlay	344,503	210,055	344,232	271
Debt Service Principal and Interest	4,248,931	1,581,282	4,248,931	-
Operating Transfers to Other Funds	157,818	154,000	157,818	-
TOTAL EXPENDITURES	\$ 26,199,648	\$ 17,110,697	\$ 25,966,859	\$ 232,789
NET REVENUES LESS EXPENDITURES	\$ (1,085,133)	\$ 6,508,839	\$ (417,244)	
To/(From) Fund Balance				
			Overall Budget Variance	\$ 667,889

Solid Waste Fund

- Operating Revenues projected \$386K higher (5.4%) than originally budgeted.
 - Commodity prices for recycling have been better than initially predicted.
- Personnel Services projected over budget by \$379K (5.2%), due to use of overtime and contractual personal services.
- Operating Expenditures projected under budget by \$611K (5.3%), due to savings in fuel and vehicle maintenance.
- Total positive budget variance: \$668K.

Inspections Fund

	FY 2018 ADJUSTED BUDGET	ACTIVITY THROUGH MARCH 2018	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
REVENUES				
Licenses, Permits & Charges for Services	\$ 6,972,403	\$ 5,202,323	\$ 7,042,008	\$ 69,605
Non-Operating Revenues				
Investment Income	\$ 10,000	\$ 16,700	\$ 16,700	\$ 6,700
TOTAL REVENUES	\$ 6,982,403	\$ 5,219,023	\$ 7,058,708	\$ 76,305
EXPENDITURES				
Personnel Services	\$ 4,302,710	\$ 3,314,453	\$ 4,185,909	\$ 116,801
Operating Expenditures	1,280,663	930,231	1,251,954	28,709
Capital Outlays	150,845	143,611	150,845	-
Transfers to Other Funds	138,480	138,480	138,480	-
TOTAL EXPENDITURES	\$ 5,872,698	\$ 4,526,775	\$ 5,727,188	\$ 145,510
NET REVENUES LESS EXPENDITURES	\$ 1,109,705	\$ 692,248	\$ 1,331,520	
To/(From) Fund Balance				
			Overall Budget Variance	\$ 221,815



Inspections Fund

- Provides for support of the Inspections Department and other inspection related activities.
- At third quarter, Inspections Fund has received 75% of full year budgeted revenue.
- Full year revenue projection: \$70K favorable to budget (1%) due to increased construction activity.



FINANCE

CITY OF DURHAM

Other Enterprise Funds

- Capital Facility Fees: YTD revenues are 106% of budget and 8% higher than last year; continuing trend in local development and growing utility customer base.
- Stormwater Fund: YTD revenues are 87% of budget and essentially flat versus last year; currently projected to have positive full year variance of \$780K.